

APPENDIX IV  
REGULATION OF MEMBERS OF BOARD OF GOVERNORS  
NUMBER 20/6/PADG/2018  
DATED  
ON  
IMPLEMENTATION OF OPEN MARKET OPERATION

CONVENTIONAL OMO REPO TRANSACTIONS BY USING SECURITIES IN  
FOREIGN EXCHANGE

A. STATEMENT OF OWNERSHIP OF SECURITIES IN FOREIGN EXCHANGE AS UNDERLYING IN CONVENTIONAL OMO REPO TRANSACTIONS BY USING SECURITIES IN FOREIGN EXCHANGE

No. *[filled with letter number]*

To

Bank Indonesia - Monetary Management Department c.q. Monetary Operation Group

Jl. M.H. Thamrin Number 2

Central Jakarta 10350

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On : Statement of Ownership of Securities in Foreign Exchange in Conventional OMO Repo Transactions by Using Securities in Foreign Exchange

The undersigned:

Name : *[filled with the name of the bank's director authorized to represent the Bank]*

Position : *[filled with the position of the bank's director authorized to represent the Bank]*

Bank : *[filled with the Bank's name]*

herein acting in the position mentioned above to participate in Conventional OMO Repo Transaction by using securities in foreign exchange, hereby declare that:

1. Repurchased securities in foreign exchange are assets of *[filled with the commercial bank's name]*, which are not collateralized, seized, or involved in a case or dispute, but they meet all requirements as underlying assets as specified in the provisions of Bank Indonesia for criteria and requirements for securities in monetary operation; and
2. we do not own other securities in the form of Bank Indonesia Certificate (SBI), Bank Indonesia Deposit Certificate (SDBI), and Sovereign Securities (SBN).

To support completeness of information on securities in foreign exchange, which are made as underlying asset, in Conventional OMO Repo Transactions by using the securities in foreign exchange, we convey the following:

- 1. information on coupon:
  - a. schedule of last coupon payment : *[filled with date/month/year]*
  - b. schedule of next coupon payment : *[filled with date/month/year]*
  - c. coupon rate : *[filled with percentage]*
  - d. coupon nominal : *[filled with nominal amount]*
- 2. statement of holding of ownership of securities in foreign exchange in closing position 1 (one) business day prior to a transaction date; and
- 3. Computer Processing Result (CPR) of position of ownership of securities in rupiah of a Conventional OMO Participant in closing position 1 (one) business day prior to a transaction date.

Pertaining to the Conventional OMO Repo Transactions by using securities in foreign exchange, we declare that:

- 1. information in this statement is true and justifiable;
- 2. if in the future any inconsistencies with the statement are found, all legal consequences arising therefrom will become our responsibility.

This statement is made voluntarily without duress from any party to be properly used.

*[city], [date, month, year]*  
Signature

Duty

*[name and position of the bank's  
director authorized to represent the  
Bank]*

- B. CONVENTIONAL OMO REPO TRANSACTIONS BY USING SECURITIES IN FOREIGN EXCHANGE
  - 1. Example of Conventional OMO *Repo* Transaction by Using Securities in Foreign Exchange in Fixed Rate Tender Method

If Conventional OMO Repo Transaction by using securities in foreign exchange is made by using Japan Government Bond, below is the example:

1. Tender Plan  
Means of Bid : RMDS  
Proposal  
Tender method : fixed rate tender
2. B Repo term : 7 days  
R Repo rate : 7%  
W Window time : 10.30 – 11.00 West Indonesia Time  
S Settlement : T+0  
U Underlying asset : ABCXX at a price of 114  
u DEFYY at a price of 125  
H Haircut : 10% for ABCXX, so the price of ABCXX  
n = 104  
t 15% for DEFYY, so the price of ABCXX  
i = 110  
ty : Rp11 trillion

Table 1 – Tender Proposal (in thousand rupiah)

Bank	Kuantitas Penawaran	Kumulatif Penawaran	Repo Rate (%)	Surat Berharga yang di-repo-kan	
				Seri	Harga Repo (Harga SSB - Haircut) (%)
(1)	(2)	(3)	(4)	(5)	(6)
Bank A	2.000.000.000,00	2.000.000.000,00	7,00	ABCXX	104
Bank B	700.000.000,00	2.700.000.000,00	7,00	ABCXX	104
Bank C	1.500.000.000,00	4.200.000.000,00	7,00	DEFYY	110
Bank D	3.000.000.000,00	7.200.000.000,00	7,00	ABCXX	104
Bank E	2.600.000.000,00	9.800.000.000,00	7,00	DEFYY	110
Bank F	1.200.000.000,00	11.000.000.000,00	7,00	DEFYY	110

3. Determination of Successful Bidder  
Quantity : Rp 7 trillion (proportional)

Table 2 – Calculation of Quantity, First Leg Settlement, and Second Leg Settlement (in thousand rupiah)

Bank	Kuantitas yang dimenangkan 1)	Kumulatif	RR Rate (%)	Kurs Tengah Transaksi BI	Nominal yang dimenangkan dalam valuta asing (ribu ¥)	Setelmen SSB			Nilai Setelmen first leg 3)	Bunga Repo	Nilai Setelmen second leg 4)
						Seri	Harga Repo (%)	Nominal SSB yang direpokan 2) dengan pembulatan dalam valas (ribu ¥)			
(1)	(2)	(3)	(4)	(5)	(6)=(2)/(5)	(7)	(8)	(9)=(6)/(8)	(10)=(2)	(11)=(10)x(4) x(7/360)	(12)=(10)+(11)
Bank A	1,272,728,000.00	1,272,728,000.00	7.00	103.63	12,281,462.90	ABCXX	104	11,809,100.00	1,272,728,000.00	1,732,324.22	1,274,460,324.22
Bank B	445,455,000.00	1,718,183,000.00	7.00	103.63	4,298,513.94	ABCXX	104	4,133,200.00	445,455,000.00	606,313.75	446,061,313.75
Bank C	954,546,000.00	2,672,729,000.00	7.00	103.63	9,211,097.17	DEFYY	110	8,373,750.00	954,546,000.00	1,299,243.17	955,845,243.17
Bank D	1,909,091,000.00	4,581,820,000.00	7.00	103.63	18,422,184.70	ABCXX	104	17,713,650.00	1,909,091,000.00	2,598,484.97	1,911,689,484.97
Bank E	1,654,546,000.00	6,236,366,000.00	7.00	103.63	15,965,897.91	DEFYY	110	14,514,500.00	1,654,546,000.00	2,252,020.94	1,656,798,020.94
Bank F	763,637,000.00	7,000,003,000.00	7.00	103.63	7,368,879.67	DEFYY	110	6,699,000.00	763,637,000.00	1,039,394.81	764,676,394.81

Note:

a. The quantity won is calculated proportionally.

Example of Bank A:

Quantity of Bid A

Total Bid

x

the received quantity

Rp 2 trillion

Rp 11 trillion

= Rp 1,272,727,272.73 thousand ≈ Rp 1,272,728,000 thousand

b. The nominal amount of repurchased securities in foreign exchange to be collateralized and transferred by a Conventional OMO Participant to the Bank Indonesia securities account with a custodian bank appointed by Bank Indonesia and to be transferred by Bank Indonesia to a Conventional OMO Participant’s account of with a custodian bank appointed by Bank Indonesia in the second leg settlement.

Rounding up of nominal amount of securities in foreign exchange follows the smallest nominal amount of securities in foreign exchange and at least equals to the won quantity bid.

The smallest nominal amount of securities in foreign exchange used in the example above is 50 thousand.

Example Bank A (series ABCXXX):

The won nominal value  
in foreign exchange

Repo Price

=

¥12,281,462.90 thousand

104%

= ¥11,809,099 thousand

= ¥11,809,100 thousand

- c. The value of first leg settlement to be credited to a Checking Account
- d. The value of second leg settlement to be debited to a Checking Account

2. Example of Conventional OMO Repo Transaction by Using Securities in Foreign Exchange in Variable Rate Tender Method

If Conventional OMO Repo Transaction by using securities in foreign exchange is made by using Japan Government Bond, below is the example:

1. Tender Plan  
Means of Bid Proposal : RMDS  
Tender method : variable rate tender  
Jangka waktu *Repo term* : 7 days  
Indicative target : Rp7 trillion  
*Window time* : 10.30 – 11.00 West Indonesia Time  
  
Settlement : T+0  
*Underlying asset* : ABCXX at a price of 114  
DEFYY at a price of 125  
  
Haircut : 10% for ABCXX, so the price of ABCXX = 104  
15% for DEFYY, so the price of ABCXX = 110
2. Bid  
Quantity : Rp11 trillion  
Repo Rate : 6.99% - 7.25%

Table 1 – Tender Proposal (in thousand rupiah)

Bank	Kuantitas Penawaran	Kumulatif Penawaran	Repo Rate (%)	Surat Berharga yang di-repo-kan	
				Seri	Harga Repo (Harga SSB - <i>Haircut</i> ) (%)
(1)	(2)	(3)	(4)	(5)	(6)
Bank A	2.000.000.000,00	2.000.000.000,00	7,25	ABCXX	104,00000
Bank B	700.000.000,00	2.700.000.000,00	6,99	ABCXX	104,00000
Bank C	1.500.000.000,00	4.200.000.000,00	7,00	DEFYY	110,00000
Bank D	3.000.000.000,00	7.200.000.000,00	7,00	ABCXX	104,00000
Bank E	2.600.000.000,00	9.800.000.000,00	7,00	DEFYY	110,00000
Bank F	1.200.000.000,00	11.000.000.000,00	7,50	DEFYY	110,00000

3. Determination of Successful Bidder  
SOR : 7.00%  
Quantity : Rp 7 trillion

Table 2 – Calculation of Quantity, First Leg Settlement, and Second Leg Settlement

(in thousand rupiah)

Bank	Kuantitas yang dimenangkan	Kumulatif	RR Rate (%)	Kurs Tengah Transaksi BI	Nominal yang dimenangkan dalam valuta asing (ribu ¥)	Setelmen SSB			Nilai Setelmen first leg 3)	Bunga Repo	Nilai Setelmen second leg 4)
						Seri	Harga Repo (%)	Nominal SSB yang direpokan 2) - Stlh pembulatan (ribu ¥)			
(1)	(2)	(3)	(4)	(5)	(6)=(2)/(5)	(7)	(8)	(9)=(6)/(8)	(10)=(2)	(11)=(10)x(4) x(7/360)	(12)=(10)+(11)
Bank F	1.200.000.000	1.200.000.000	7,50	103,63	11.579.658,40	DEFYY	110	10.527.000	1.200.000.000	1.750.000,00	1.201.750.000,00
Bank A	2.000.000.000	3.200.000.000	7,25	103,63	19.299.430,67	ABCXX	104	18.557.150	2.000.000.000	2.819.444,44	2.002.819.444,44
Bank C 1)	802.817.000	4.002.817.000	7,00	103,63	7.746.955,51	DEFYY	110	7.042.700	802.817.000	1.092.723,14	803.909.723,14
Bank D 1)	1.605.634.000	5.608.451.000	7,00	103,63	15.493.911,03	ABCXX	104	14.898.000	1.605.634.000	2.185.446,28	1.607.819.446,28
Bank E 1)	1.391.550.000	7.000.001.000	7,00	103,63	13.428.061,37	DEFYY	110	12.207.350	1.391.550.000	1.894.054,17	1.393.444.054,17

Note:  
a. Bank C, Bank D, and Bank E win tender proportionally with the smallest rounding of Rp1 million.

Bank C

=  $\frac{\text{quantity of bid c}}{\text{amount of C, D, and E bids}}$  x Remaining quantity

=  $\frac{\text{Rp 1.5 trillion}}{\text{Rp 7.1 trillion}}$  x Rp 3.8 trillion

= Rp802,816,901.41 thousand ≈ Rp 802,817,000 thousand

b. The nominal amount of repurchased securities in foreign exchange to be collateralized and transferred by a Conventional OMO Participant to the Bank Indonesia securities account with a custodian bank appointed by Bank Indonesia and to be transferred by Bank Indonesia to a Conventional OMO Participant’s account with a custodian bank appointed by Bank Indonesia in the second leg settlement.

Rounding up of nominal amount of securities in foreign exchange follows the smallest nominal amount of securities in foreign exchange and at least equals to the won quantity bid.

The smallest nominal amount of securities in foreign exchange used in the example above is 50 thousand.

Example Bank F (series DEFYY):



$$\begin{aligned} &= \frac{\text{rupiah nominal in foreign exchange}}{\text{repo rate}} = \frac{11,579,658.40}{110\%} \\ &= \text{¥10,526,962 thousand} \approx \text{¥10,527,000 thousand} \end{aligned}$$

- c. The value of first leg settlement to be credited to a Checking Account
- d. The value of second leg settlement to be debited to a Checking Account

MEMBER OF BOARD OF  
GOVERNORS,

ERWIN RIJANTO